



PANHANDLE

BENEWAH, BONNER, BOUNDARY, KOOTENAI, & SHOSHONE COUNTIES

LABOR FORCE & EMPLOYMENT

The U.S. economic slowdown took a toll on the Panhandle economy this spring. The Panhandle's seasonally adjusted unemployment rate jumped from 8.4 percent in March to 9.1 percent in April. Several factors contributed to the unemployment jump. Manufacturers in the Idaho Panhandle and Washington's Spokane County continued to reduce jobs, putting many Panhandle residents out of work. In Shoshone County, economic repercussions from the February closure of the Sunshine Mine near Kellogg also boosted unemployment. Spring break-up persisted into April, so many loggers continued to draw unemployment insurance benefits. Construction activity in all the Panhandle counties, except Kootenai County, was running below its level in April 2000. Reduced consumer spending and concerns about how high forest fire danger and higher energy prices may affect the summer tourist season kept many stores, restaurants, and service businesses from hiring quite as many people this spring as they normally do. (See Panhandle Table 1 for details.)

Construction at the Avista-Cogentrix electricity-generating plant in Rathdrum and the Burlington Northern Santa Fe locomotive refueling depot near Rathdrum helped boost *Construction* employment. Lower interest rates also fueled residential construction in Kootenai County.

Rising lumber prices provide hope that this summer will allow the Panhandle's *Lumber & Wood Products* industry to expand employment slightly. From May through September 2000, falling lumber prices caused many mills to temporarily shut down or otherwise reduce their workforces. Some of those jobs may never return. *Lumber & Wood Products* in April 2001

Panhandle Table 1: Labor Force & Employment

	Apr 2001*	Mar 2001	Apr 2000	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	91,330	89,980	87,660	1.5	4.2
Unemployed	8,320	7,560	7,080	10.1	17.5
% of Labor Force Unemployed	9.1%	8.4%	8.1%		
Total Employment	83,010	82,420	80,580	0.7	3.0
Unadjusted					
Civilian Labor Force	90,810	89,380	87,280	1.6	4.0
Unemployed	9,560	10,310	8,440	-7.3	13.3
% of Labor Force Unemployed	10.5%	11.5%	9.7%		
Total Employment	81,250	79,070	78,840	2.8	3.1
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	66,250	64,400	65,390	2.9	1.3
Goods-Producing Industries	13,370	13,240	13,870	1.0	-3.6
Mining	790	790	990	0.0	-20.2
Construction	4,600	4,100	4,460	12.2	3.1
Manufacturing	7,980	8,350	8,420	-4.4	-5.2
Lumber & Wood Products	3,440	3,760	3,980	-8.5	-13.6
All Other Manufacturing	4,540	4,590	4,440	-1.1	2.3
Service-Producing Industries	52,880	51,160	51,520	3.4	2.6
Transportation	1,460	1,430	1,290	2.1	13.2
Communication & Utilities	1,030	1,070	1,040	-3.7	-1.0
Wholesale Trade	2,100	2,200	2,300	-4.5	-8.7
Retail Trade	14,720	14,420	14,790	2.1	-0.5
Finance, Insurance & Real Estate	2,560	2,520	2,470	1.6	3.6
Service & Miscellaneous	17,320	16,210	16,350	6.8	5.9
Government Administration	7,980	7,710	7,800	3.5	2.3
Government Education	5,710	5,600	5,480	2.0	4.2

* Preliminary estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

employed 540 fewer people than in April 2000. Approximately half of that difference resulted from this year's more severe spring break-up, and therefore should disappear between April and June. The other half of the difference is due to the lingering effect of falling lumber prices.

When the Plummer Forest Products mill opens at the Coeur d'Alene Tribe's Industrial Park in Plummer in July, *Lumber & Wood Products* will gain up to 60 jobs. Todd Brinkmeyer is the president of the new mill located at the old Rayonier mill that closed in November 1998. The Plummer mill will specialize in cutting small-dimension logs.

All Other Manufacturing jobs lost about 150 jobs between October 2000 and April 2001. The Panhandle's manufacturing job losses echo the depressed activity in the U.S. manufacturing sector. Job losses were highest in durable goods manufacturing companies, especially electronics and furniture. The 150 jobs do not reflect all the job losses in manufacturing. Typically, when manufacturers reduce staff, the first people to be laid off are workers supplied by temporary employment agencies. Temporary employment agencies are classified in *Business Services*, so their job losses show up

in *Services*. It is estimated that about 150 temporary manufacturing jobs were cut between October 2000 and April 2001.

Despite the reduction in temporary employment agency jobs, *Services* was the Panhandle economy's brightest spot in early 2001. About 300 of the *Services* jobs added between April 2000 and April 2001 resulted from the March opening of the Center Partners call center in Coeur d'Alene. Health care services, the Coeur d'Alene Tribe, CEDU Family of Services in Boundary and Bonner Counties, and tourist facilities created an additional 670 *Services* jobs over the year.

Government Administration's growth partially reflects increased employment in the U.S. Forest Service. Many experts believe this could be the worst fire season in decades.

AREA DEVELOPMENTS

Bonner County

- An \$8.5 million inn with a small conference center will open at Swan's Landing near Sandpoint in early July. The inn, owned by Alex and Mary Lee Verhoogen, will include a lodge with 23 guest rooms, two villas with a total of seven guest rooms, four meeting rooms, a gift shop, a floral shop, and a full-service spa. The inn will be immediately next to the 7-year-old Swan's Landing restaurant.
- Doug Dishong recently purchased the Parrott Mechanical business in Sandpoint from its parent company, Service Experts. The business, which offers heating, ventilation, and air-conditioning services, now is called Pend Oreille Mechanical. It employs about 20 people.
- A NAPA Auto Parts store opened in June on Highway 2 in Priest River. The NAPA store occupies the 8,000-square-foot Cash & Carry building. In addition to parts for autos and pickups, the Priest River NAPA also stocks parts for heavy trucks.
- Ralph, Mike, and Sherry Williams opened the Lube Center at 404 Larch in Sandpoint in May.
- Mountain West Bank, a state-chartered bank based in Coeur d'Alene, recently opened a residential loan production office at 111 N. First Avenue in Sandpoint.

Kootenai County

- Two national chain stores are moving into the former Ernst building between Target and Office Max, immediately north of the Silver Lake Mall in Coeur d'Alene. The 55,000-square-foot building has been vacant since Ernst closed four years ago. Ross Dress for Less, a chain selling name-brand apparel at dis-

count prices, will hire 35 people when it opens in October. Michael's, a craft store, will employ more than 20 people when it opens this fall.

- A new independent bank recently formed in Coeur d'Alene. Bankcda opened its first branch in a 3,400-square-foot space at 1620 Northwest Boulevard.
- Panhandle State Bank, an independent bank based in Sandpoint, plans to open a branch in Coeur d'Alene in late summer. The branch, located at 1000 Northwest Boulevard, will use the name Intermountain Community Bank.
- Prairie Falls Golf Course in Post Falls opened its back nine holes in May, making it Post Falls' third 18-hole golf course.
- The Japan House opened in June at 2113 Sherman Avenue in Coeur d'Alene. The 22-room motel sports a Japanese motif and offers a Japanese herbal bath for relaxation. Owners Kim Kuppen and Minnie Chou renovated the Sundowner Motel, which closed two years ago. They may eventually open a Japanese restaurant there, as well.
- A 7,500-square-foot antique store, simply called Antiques, recently opened at the prime Factory Outlets in Post Falls.
- Coeur d'Alene recently welcomed the following new businesses: Simple Pleasures, a gift and decorating store, at 221 Sherman Avenue; Resort Boat Shop & Sales at 105 Sherman Avenue; D's Hair Salon at 1613 North Fourth Street; Cuisine Cargo, a restaurant featuring food with an international flair, at 116 Lakeside Avenue; the Clearance Depot, a store selling new name-brand items closed out by original suppliers, at 1506 Northwest Boulevard; the Zoo, a store selling home accessories and gift items, at the Plaza Shops of The Coeur d'Alene Resort; and Era Exchange, trading and selling retro items primarily from the '60s and '70s, at 802 North Fourth Street.

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